amount of the expenditure for support and interest of money, upon the available labor of the convicts—full 80 cents per day. The pro. fits must of course necessarily depend upon the same causes of supply and demand that control all manufacturing establishments. When, therefore, we consider the extraordinary and ruinous state of the times during the greater part of the last year—causing many of the manufactories of the ccuntry wholly to suspend operations, the utter failure of many, and a general prostration of trade—the Directors cannot but think themselves fortunate in being able to present so favorable an exhibition of the pecuniaay condition of the Institution. It will be seen that the profits have been adequate, to within the trifling sum of \$149 27-to the defrayment of the maintenance of the prisoners and all the direct expenses of the Penitentiary, amounting to \$43,030 73, besides the extraordinary expense for opening Madison street, discount upon bank loans, and the regular interest and instalments upon the loans authorised by the State, \$7,835 35, making the total amount of expenditures for the year, \$50,866 08.

The present amount of the loans contracted for the use of the Penitentiary is \$56,500, of which the loan of 1828 (originally for \$30,000) will be paid off in 1843. And as the loan of 1837 will be lessened in 1843, by the payment of instalments to the amount of \$6000, the entire amount of the present loans unredeemed, in 1843,

will be \$34,000.

The total expenditure for the new buildings, and for the looms and other new implements made necessary thereby, equal the entire present amount of the loans, viz. \$56,500, of which \$40,000 was created for their erection. Thus, it will be observed, this extensive and important improvement in the State Prison, has been made without any direct aid from the Treasury, or tax of any kind upon the State. The interest upon the loans, and their redemption by instalments, being, as they become due, regularly provided for by the Institution.

The experience of the past year has served to test the efficacy of the Auburn system of prison discipline in our Penitentiary—to the introduction of which the new workshops were expressly adapted. The result has been a complete confirmation of the improvement anticipated from it, in regard at least, to all that depends upon discipline to effect, in the greater degree of obedience, silence, order, and regularity, and also of cleanliness, manifest throughout the prison. A considerable improvement, also, in the moral condition of the prisoners, already evident, leads to the confident belief, that all the moral effect that can reasonably be expected from any pententiary system, may be accomplished by the Maryland Institution.

The Auburn discipline, it will be observed, has not been extended to the female department—where, from the construction of the workshops, and especially of the sleeping apartments, promiscuous association of the inmates cannot be prevented. Such improvements ex-